# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

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# TARIFF FOR ELECTRIC SERVICE

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#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### RESIDENTIAL DELIVERY SERVICE

#### **SCHEDULE RD-1**

#### **AVAILABILITY**

Service is available under this Schedule for all domestic purposes at individual private dwellings and in individual apartments and apartment or condominium buildings, and for churches and farms that received service under this rate prior to the effective date of this tariff page. Single Phase motors exceeding 5 horsepower will be allowed only upon approval by the Company in each instance. When service is delivered through one meter and used for both domestic and non-domestic purposes, billing shall be under this Schedule only if the predominant use of demand, determined by the Company on the basis of metered load data, connected loads, or consumption, is for domestic purposes. This Schedule is for delivery service only. Customers are required to obtain an energy supply from a Competitive Supplier or may be eligible for Standard Offer Service or Default Service from the Company pursuant to Schedules SOS or DS as amended from time to time.

This Schedule is not available for service furnished for commercial or business purposes including garages, motels, hotels, and boarding houses or residences in which three or more rooms are rented, or for any other non-residential purposes.

#### **CHARACTER OF SERVICE**

Electricity will normally be delivered at 120/240 volts using three wire, single phase service and limited to 200 Amps at 240 volts. In some areas service may be 120/208 volts.

#### **DELIVERY SERVICE CHARGES - MONTHLY**

Customer Charge	@ \$3.02 per meter
Distribution Charge:	
All kWh	@ 4.174 ¢ per kWh
Transition Charge:	
All kWh	@ 1.657 <u>1.187</u> ¢ per kWh
Internal Transmission Charge:	
All kWh	@ 0.192 ¢ per kWh

#### MINIMUM CHARGE

The minimum charge shall be the Customer Charge.

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### RESIDENTIAL DELIVERY SERVICE

#### **SCHEDULE RD-1 (Continued)**

#### **ADJUSTMENTS**

The Delivery Service Charges under this Schedule shall be adjusted from time to time to reflect the following:

Seabrook Amortization Surcharge - Schedule SAS, M.D.T.E. No. 32

Energy Efficiency Charge - Schedule EEC, M.D.T.E. No. 3396

Internal Transmission Service Cost Adjustment - Schedule ITSCA, M.D.T.E. No. 34

External Transmission Charge - Schedule ETC, M.D.T.E. No. 3597

Transition Cost Adjustment - Schedule TCA, M.D.T.E. No. 3698

Renewable Resource Charge - Schedule RRC, M.D.T.E. No. 37

Default Service Adjustment - Schedule DSA, M.D.T.E. No. 40101

For billing purposes, the Seabrook Amortization Surcharge will be included in the Distribution Charge. The Internal Transmission Service Cost Adjustment and External Transmission Charge will be added to the Internal Transmission Charge and billed as the Transmission Charge. The Transition Cost Adjustment and the Default Service Adjustment will be included in the Transition Charge. The Energy Efficiency and Renewable Resource Charges will each be included as separate items on the bill.

#### **PAYMENT**

Bills are net and due upon presentation.

# FARM CREDIT

Customers who qualify as persons or corporations engaged in the business of agriculture or farming, as defined pursuant to section 1A of Chapter 128 of the General Laws, shall receive a credit of ten percent from the otherwise applicable rates. The credit shall be based on full Delivery Service rates plus the Standard Offer Service rate. The credit will be recalculated as required to maintain the ten percent discount from the Delivery Service rates plus the Standard Offer Service rates as in effect from time to time.

#### TERM OF CONTRACT

The term of contract under this Schedule shall be for an initial period of at least one year, and shall continue in effect thereafter until canceled by either party upon at least 30 days written notice.

#### TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this Schedule.

M.D.T.E. No. 8793 Canceling M.D.T.E. No. 7987 Sheet 1

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

### LOW INCOME RESIDENTIAL DELIVERY SERVICE

#### **SCHEDULE RD-2**

#### **AVAILABILITY**

Service is available under this Schedule for all domestic purposes at individual private dwellings and in individual apartments. Single phase motors exceeding 5 horsepower will be allowed only upon approval by the Company in each instance. This Schedule is not available for an alternate or seasonal home and is not available for service furnished for commercial or business purposes. This Schedule is for delivery service only. Customers are required to obtain an energy supply from a Competitive Supplier or may be eligible for Standard Offer Service or Default Service from the Company pursuant to Schedules SOS or DS as amended from time to time. The Company shall guarantee payment to the generation supplier for all power sold to low-income customers at the discounted rates. The guaranteed payment shall be limited to the amount that the Company would have charged the Customer for Standard Offer Service.

Eligibility for this schedule shall be established upon verification of a low-income Customer's receipt of any means-tested public benefit, or verification of eligibility for the low-income home energy assistance program, or its successor program, for which eligibility does not exceed 175 percent of the federal poverty level based on a household's gross income. Said public benefits may include, but are not limited to, assistance which provides cash, housing, food, or medical care, including, but not limited to, transitional assistance for needy families, supplemental security income, emergency assistance to elders, disabled, and children, food stamps, public housing, federally-subsidized or state-subsidized housing, the low-income home energy assistance program, veteran's benefits, and similar benefits. Customers who qualify for this Schedule shall be required each year to certify their continuing compliance with the terms hereof.

#### CHARACTER OF SERVICE

Electricity will normally be delivered at 120/240 volts using three wire, single phase service and limited to 200 Amps at 240 volts. In some areas service may be 120/208 volts.

#### **DELIVERY SERVICE CHARGES - MONTHLY**

Customer Charge	§ \$1.87 per meter
Distribution Charge:	
All kWh	) 1.714 ¢ per kWh
Transition Charge	
All kWh	0 <del>1.657</del> 1.187 ¢ per kWh
Internal Transmission Charge:	
All kWh	0.192 é per kWh

M.D.T.E. No. 8793 Canceling M.D.T.E. No. 7987 Sheet 2

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### LOW INCOME RESIDENTIAL DELIVERY SERVICE

#### **SCHEDULE RD-2 (continued)**

#### MINIMUM CHARGE

The minimum charge shall be the Customer Charge.

#### **ADJUSTMENTS**

The Delivery Service Charges under this Schedule shall be adjusted from time to time to reflect the following:

Seabrook Amortization Surcharge - Schedule SAS, M.D.T.E. No. 32

Energy Efficiency Charge - Schedule EEC, M.D.T.E. No. 3396

Internal Transmission Service Cost Adjustment - Schedule ITSCA, M.D.T.E. No. 34

External Transmission Charge - Schedule ETC, M.D.T.E. No. 3597

Transition Cost Adjustment - Schedule TCA, M.D.T.E. No. 3698

Renewable Resource Charge - Schedule RRC, M.D.T.E. No. 37

Default Service Adjustment - Schedule DSA, M.D.T.E. No. 40101

For billing purposes, the Seabrook Amortization Surcharge will be included in the Distribution Charge. The Internal Transmission Service Cost Adjustment and External Transmission Charge will be added to the Internal Transmission Charge and billed as the Transmission Charge. The Transition Cost Adjustment and the Default Service Adjustment will be included in the Transition Charge. The Energy Efficiency and Renewable Resource Charges will each be included as separate items on the bill.

#### **PAYMENT**

Bills are net and due upon presentation.

#### **FARM CREDIT**

Customers who qualify as persons or corporations engaged in the business of agriculture or farming, as defined pursuant to section 1A of Chapter 128 of the General Laws, shall receive a credit of ten percent from the otherwise applicable rates. The credit shall be based on full Delivery Service rates plus the Standard Offer Service rate. The credit will be recalculated as required to maintain the ten percent discount from the Delivery Service rates plus the Standard Offer Service rates as in effect from time to time.

M.D.T.E. No. 8793 Canceling M.D.T.E. No. 7987 Sheet 3

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### LOW INCOME RESIDENTIAL DELIVERY SERVICE

#### **SCHEDULE RD-2 (continued)**

#### TERM OF CONTRACT

The term of contract under this Schedule shall be for an initial period of at least one year, and shall continue in effect thereafter until canceled by either party upon at least 30 days written notice.

### **TERMS AND CONDITIONS**

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this Schedule.

Issued: December <u>4420</u>, 2002 Effective: December <u>2</u>, 2002 January 1, 2003

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### GENERAL DELIVERY SERVICE

#### **SCHEDULE GD**

#### AVAILABILITY

Service is available under this Schedule at single locations to Commercial and Industrial customers where the Company delivers electricity for the exclusive use of the customer and not for resale. This Schedule is for delivery service only. Customers are required to obtain an energy supply from a Competitive Supplier or may be eligible for Standard Offer Service or Default Service from the Company pursuant to Schedules SOS or DS as amended from time to time.

#### CHARACTER OF SERVICE

Continuous, 60 hertz, alternating current, single-phase or three-phase service at various voltage levels with the Customer's connected phase requirements and delivery voltage to be designated by the Company.

#### DELIVERY SERVICE CHARGES - MONTHLY

GD-1 Small General Delivery Service: for all customers with non-residential loads consistently under four (4) kilowatts and energy consumption less than eight hundred fifty (850) kilowatt-hours per month:

Customer Charge	@ \$6.83 per meter
Distribution Charge:	
All kWh	@ 4.248 ¢ per kWh
Transition Charge:	
All kWh	@ 1.6571.187 ¢ per kWh
Internal Transmission Charge:	
All kWh	@ 0.189 ¢ per kWh

Effective: December 2, 2002 January 1, 2003 Issued: December 1120, 2002

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### GENERAL DELIVERY SERVICE

#### **SCHEDULE GD (Continued)**

GD-2 Regular General Delivery Service: for commercial Customers with demands, excluding space heating and water heating loads eligible under the G-5 rate, consistently greater than or equal to four (4) kilowatts or energy consumption consistently greater than or equal to eight hundred fifty (850) kilowatt-hours per month and generally less than one hundred twenty thousand (120,000) kilowatt-hours per month:

Customer Charge@	\$6.83 per meter
Distribution Charge:	
All kW@	\$5.94 per kW
All kWh@	1.419 ¢ per kWh
Transition Charge:	
All kW	\$ <del>2.77</del> 2.91 per kW
All kWh@	<del>0.598</del> <u>0.074</u> ¢ per kWh
Internal Transmission Charge:	
All kW@	\$0.29 per kW
All kWh@	0.068 ¢ per kWh
GD-3 Large General Delivery Service: for any industrial o	r large commercial

GD-3 Large General Delivery Service: for any industrial or large commercial Customer, not participating in special contract rates with energy consumption generally greater than or equal to one hundred twenty thousand (120,000) kilowatt-hours per month:

Customer Charge	
Distribution Charge:	-
All kVA	
All kWh - On Peak Hours	
All kWh - Off Peak Hours	
Transition Charge:	_
All kVA	@ \$ <del>3.55</del> 3.69 per kVA
All kWh - On Peak Hours	
All kWh - Off Peak Hours	
Internal Transmission Charge:	
All kVA	
All kWh - On Peak Hours	
All kWh - Off Peak Hours	

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### GENERAL DELIVERY SERVICE

#### SCHEDULE GD (Continued)

For the purpose of billing under the GD-3 rate, "On-Peak" is defined to be between the hours of 7:00 A.M. and 10:00 P.M. (local time) for all non-holiday weekdays, Monday through Friday. "Off-Peak" is defined to be between the hours of 10:00 P.M. and 7:00 A.M. (local time) during non-holiday weekdays and all-day for weekends, Saturday and Sunday, and all-day for official Federal and Massachusetts holidays that occur on a weekday.

<u>GD-4 Optional General Delivery Time-Of-Use</u>: shall be available as an option to each customer billed at the GD-2 Regular General Service Delivery Rate.

Customer Charge@	\$6.83 per meter
Distribution Charge:	-
All kW - On Peak Hours@	\$2.33 per kW
All kW - Off Peak Hours@	\$0.00 per kW
All kWh - On Peak Hours@	0.671 ¢ per kWh
All kWh - Off Peak Hours@	_
Transition Charge:	•
All kW - On Peak Hours@	\$ <del>8.52</del> 8.74 per kW
All kW - Off Peak Hours@	\$0.00 per kW
All kWh - On Peak Hours@	2.442 <u>1.967</u> -¢ per kWh
All kWh - Off Peak Hours@	0.5280.006-¢ per kWh
Internal Transmission Charge:	<del></del>
All kW - On Peak Hours@	\$0.35 per kW
All kW - Off Peak Hours@	\$0.00 per kW
All kWh - On Peak Hours@	0.102 ¢ per kWh
All kWh - Off Peak Hours@	

For the purpose of billing under the GD-4 rate, On-Peak and Off-Peak periods will be the same as those defined under the GD-3 service.

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### GENERAL DELIVERY SERVICE

#### **SCHEDULE GD (Continued)**

GD-5 Water And/Or Space Heating Delivery Rider: This provision is restricted to Customers presently served on this rate or having a building permit as of May 1, 1985. If a Customer has installed and in regular operation throughout the entire year a Company approved electric water heater which supplies the Customer's entire water heating requirements and/or a Customer has permanently installed electric space heating equipment for five (5) kilowatts or more, the Customer may elect to have this service metered separately and billed as follows:

Customer Charge@	\$0.00 per meter
Distribution Charge:	
All kWh@	3.709 ¢ per kWh
Transition Charge:	· -
All kWh@	1.6571.187-¢ per kWh
Internal Transmission Charge:	• •
All kWh@	0.182 ¢ per kWh

When this option is requested, it shall apply for at least 12 months. Space heating Customers shall be subject to a separate minimum charge of \$8.00 per year per kilowatt of installed space heating capacity. This provision applies for both electric heating and electric cooling where the two services are combined by the manufacturer in a single self-contained unit.

#### **DETERMINATION OF DEMAND**

For the purpose of billing under the GD-1 Small General Delivery Service Rate and GD-5 Water And/Or Space Heating Delivery Rider, no demand charges will be rendered. The Company, however, reserves the right, at any time, to monitor each GD-1 Customer's load using appropriate metering equipment. When it is determined that a GD-1 Customer's load consistently equals or exceeds 4 kW or its energy consumption equals or exceeds 850 kWh, the Company shall, at its discretion, render bills based on the GD-2 Regular General Delivery Service Rate or the GD-4 Optional Commercial Delivery Time-Of-Use Rate.

For the purpose of demand billing under the GD-2 Regular General Delivery Service rate and the GD-4 Optional Time-Of-Use rate, demands shall be measured as the highest 15-minute integrated kilowatt (kW) load determined during the month for which the charge is rendered, but not less than any specified minimum available contract capacity, if applicable.

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### GENERAL DELIVERY SERVICE

#### **SCHEDULE GD (Continued)**

The billing demand measured under the GD-2 and GD-4 rates shall be taken in 0.5 kW intervals, and those demands falling between any half kW interval shall be billed at the next lower 0.5 kW increment.

For the purpose of demand billing under the GD-3 Large General Delivery Service rate, demands shall be measured as the highest 15-minute integrated kilovolt-ampere (kVA) load determined during the On-Peak period of the month for which the charge is rendered, but not less than any specified minimum available contract capacity if applicable.

The billing demand measured under the GD-3 rate shall be taken in 0.5 kVA intervals and those demands falling between any half kVA interval shall be billed at the next lower 0.5 kVA increment.

#### **MINIMUM CHARGE**

The Minimum Charge per month, except as may be increased by line extension surcharges or guaranteed temporary service connections, shall be no less than the Customer Charge for each type of delivery service installed. For GD-3 Customers, there may be an additional minimum capacity charge based upon the service contract for that Customer.

#### **METERING**

The Company may at its option meter at the Customer's utilization voltage or on the high voltage side of the transformer through which service is furnished.

In the latter case or if the Customer's utilization voltage requires no transformation, and if the Company meters service at 4160 volts or higher, a compensating deduction of 3% will be made from the metered kilowatt (or kilovolt-ampere) demand and kilowatt-hour usage to determine billing amounts.

#### CREDIT FOR TRANSFORMER OWNERSHIP

GD-3 customers are responsible for their own transformation, but may rent such transformation from the Company at the Company's discretion. For all other General Delivery Service Customers, if the Customer furnishes all transformers required so that the Company is

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### GENERAL DELIVERY SERVICE

#### SCHEDULE GD (Continued)

not required to furnish any transformers, there will be credited against the amount determined under the Distribution Charge 12 cents for each kilowatt of demand for such month.

#### FARM CREDIT

Customers who qualify as persons or corporations engaged in the business of agriculture or farming, as defined pursuant to section 1A of Chapter 128 of the General Laws, shall receive a credit of ten percent from the otherwise applicable rates. The credit shall be based on full Delivery Service rates plus the Standard Offer Service rate. The credit will be recalculated as required to maintain the ten percent discount from the Delivery Service rates plus the Standard Offer Service rates as in effect from time to time.

#### TERM OF CONTRACT

The term of contract under this Schedule shall be for an initial period of at least one year, and shall continue in effect thereafter until cancelled by either party upon at least 30 days' written notice. The Company may require longer initial and renewal contract terms whenever, in its opinion, the estimated annual revenue is insufficient to warrant the Company making the necessary commitments to render service.

#### **ADJUSTMENTS**

The Delivery Service Charges under this Schedule shall be adjusted from time to time to reflect the following:

Seabrook Amortization Surcharge - Schedule SAS, M.D.T.E. No. 32

Energy Efficiency Charge - Schedule EEC, M.D.T.E. No. 3396

Internal Transmission Service Cost Adjustment - Schedule ITSCA, M.D.T.E. No. 34

External Transmission Charge - Schedule ETC, M.D.T.E. No. 3597

Transition Cost Adjustment - Schedule TCA, M.D.T.E. No. 3698

Renewable Resource Charge - Schedule RCC, M.D.T.E. No. 37

Default Service Adjustment - Schedule DSA, M.D.T.E. No. 40101

For billing purposes, the Seabrook Amortization Surcharge will be included in the Distribution Charge. The Internal Transmission Service Cost Adjustment and External

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### GENERAL DELIVERY SERVICE

#### **SCHEDULE GD (Continued)**

Transmission Charge will be added to the Internal Transmission Charge and billed as the Transmission Charge. The Transition Cost Adjustment and the Default Service Adjustment will be included in the Transition Charge. The Energy Efficiency and Renewable Resource Charges will each be included as separate items on the bill.

#### **TERMS OF PAYMENT**

The Charges for service under this Schedule are net, billed monthly and payable upon presentation of bill. Interest charges will be added from the date of the original bill if current charges for electricity are not paid and received by the Company or its agents within twenty-five (25) days. Interest charges shall be calculated at an annual rate of interest which is the equivalent of the rate paid on two-year United States Treasury notes for the preceding 12 months ending December 31 of any year, plus 10 percent, i.e. 1000 basis points, in accordance with 220 CMR 26.00. The monthly interest charge is also added to accounts until all arrears have been paid.

#### **GUARANTEE**

When the estimated expenditure necessary to supply electrical energy properly to a Customer's premises shall be of such an amount that the income to be derived from the sale of such energy at the rates herein established, including the monthly minimum charge, will be insufficient to warrant such expenditure, the Company may require the Customer to guarantee a minimum annual payment for a term of years and/or to pay the whole or a part of the cost of extending, enlarging or rebuilding its facilities to supply the Customer's premises or other reasonable payments in addition to the payments otherwise provided herein.

#### TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this Schedule.

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### OUTDOOR LIGHTING DELIVERY SERVICE

#### SCHEDULE SD

#### **AVAILABILITY**

This Schedule is available to all Customers for outdoor lighting delivery service with the Company's standard lighting fixtures mounted on existing poles, except as otherwise provided herein. This Schedule is for delivery service only. Customers are required to obtain an energy supply from a Competitive Supplier or may be eligible for Standard Offer Service or Default Service from the Company pursuant to Schedules SOS or DS as amended from time to time.

# **CHARACTER OF SERVICE**

All lighting shall be photoelectrically controlled and supplied from multiple circuits. The Company will furnish and maintain the equipment hereinafter described, and shall supply service at which the lamps are designed to operate.

#### **DELIVERY SERVICE CHARGES - MONTHLY**

The monthly charges for Outdoor Lighting Delivery Service will include the kWh Charges plus the Luminaire Charges for the applicable luminaire as listed below.

Distribution Charge:	
All kWh@	0.057 ¢ per kWh
Transition Charge:	, .
All kWh@	1.6571.187 ¢ per kWh
Internal Transmission Charge:	, 1
All kWh@	0.000 ¢ per kWh

### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### OUTDOOR LIGHTING DELIVERY SERVICE

# **SCHEDULE SD (Continued)**

# (A) Mercury Vapor Lighting Equipment\*

Lamp Size Nominal			Price Per Lum Per Mont	
Lumens		Internal		
(Approx.)	Type of Luminaire	<u> Fransmissior</u>	<u>Distribution</u>	<u> Fransition Charge</u>
3,500	(MV) Residential and Commercial Type	\$0.23	\$6.48	\$0.00
7,000	(MV) Residential and Commercial Type		\$7.19	\$0.00
3,500	(MV) Street and Highway Type	\$0.23	\$6.48	\$0.00
7,000	(MV) Street and Highway Type	\$0.27	\$7.19	\$0.00
20,000	(MV) Street and Highway Type	\$0.52	\$13.05	\$0.00
60,000	(MV) Street and Highway Type	\$1.02	\$24.93	\$0.00
20,000	(MV) Flood Light Type	\$0.56	\$14.42	\$0.00
3,500	(MV) Power Bracket Included	\$0.24	\$6.79	\$0.00
7,000	(MV) Power Bracket Included	\$0.29	\$7.65	\$0.00

<sup>\*</sup> Mercury Vapor Lighting is not available for new lighting installations, effective January 1, 1991.

# (B) <u>High Pressure Sodium Lighting Equipment</u>

Lamp Size		Price Per Luminaire		
Nominal			Per Month	l
Lumens		Internal		
(Approx.)	Type of Luminaire	<u>Transmission</u>	<b>Distribution</b>	<b>Transition</b>
<u>Charge</u>				
3,300	(HPS) Residential and Commercial Type	e \$0.20	\$5.62	\$0.00
9,500	(HPS) Residential and Commercial Type	e \$0.24	\$6.69	\$0.00
3,300	(HPS) Street and Highway Type	\$0.20	\$5.62	\$0.00
9,500	(HPS) Street and Highway Type	\$0.24	\$6.69	\$0.00
20,000	(HPS) Street and Highway Type	\$0.39	\$9.96	\$0.00
50,000	(HPS) Street and Highway Type	\$0.56	\$14.16	\$0.00
140,000	(HPS) Street and Highway Type	\$1.18	\$29.04	\$0.00
50,000	(HPS) Flood Light Type	\$0.64	\$16.43	\$0.00

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### **OUTDOOR LIGHTING DELIVERY SERVICE**

#### **SCHEDULE SD (Continued)**

(C) <u>Ornamental Lighting Equipment</u> (Customer assumes all initial installation expenses inclusive of materials).

Lamp Size

Nominal

Lumens

(Approx.)

3,300

Price Per Luminaire

Per Month

Internal

Transmission Distribution Transition Charge

\$0.16

\$4.51

\$0.00

<u>Note:</u> High pressure sodium lights designated by the above types are also available for use on private property subject to the provisions contained under "Special Provisions" hereof.

#### OTHER EQUIPMENT

Lighting fixtures other than those specified herein will be provided only at prices and for a term of contract to be mutually agreed upon.

#### TERM OF CONTRACT

Service under this Schedule shall be for an initial period of one year with automatic one year extensions thereafter until canceled by either party giving the other notice in writing at least 30 days prior to the expiration of any contract year. The Company may require longer initial and renewal contract terms whenever, in its opinion, the estimated annual revenue is insufficient to warrant the Company making the necessary commitments to render service.

#### **BILLS AND PAYMENT**

Bills are net and due upon presentation.

# **FARM CREDIT**

Customers who qualify as persons or corporations engaged in the business of agriculture or farming, as defined pursuant to section 1A of Chapter 128 of the General Laws, shall receive a credit of ten percent from the otherwise applicable rates. The credit shall be based on full Delivery Service rates plus the Standard Offer Service rate. The credit will be recalculated as required to maintain the ten percent discount from the Delivery Service rates plus the Standard Offer Service rates as in effect from time to time.

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### OUTDOOR LIGHTING DELIVERY SERVICE

#### **SCHEDULE SD (Continued)**

#### **SPECIAL PROVISIONS**

#### (a) Hours of Operation

Approximate hours of operation will be from one-half hour after sunset to one-half hour before sunrise. The total burning hours shall not exceed 4,100 hours per year.

#### (b) Lamp Replacement

The Company shall replace defective lamps as promptly as possible during regular working hours, after having been advised of the need of such replacement by the Customer.

#### (c) Change of Location

The Company will, at the expense of the Customer, change the location of such fixtures as the Customer may order.

#### (d) Change of Fixture

The Company will change the type of lighting fixture at the Customer's request, during regular working hours, but may require the customer to reimburse the Company for the depreciated cost of the retired equipment including installation and cost of removal, less any salvage value thereon.

#### (e) Permits

The Customer shall provide, without cost to the Company, all permits, consents, or easements necessary for the erection, maintenance and operation of the Company's facilities, including the right to cut and trim trees where necessary

#### (f) Limitation of Service

The Company reserves the right to restrict installations served under this schedule to those which will yield a reasonable return to the Company and to areas easily accessible by service truck.

#### (g) Additional Equipment

Lighting installations requiring new poles and overhead conductors, or lighting units mounted on ornamental standards connected to an underground distribution circuit will be available only when the Customer signs an agreement under which Customer agrees to pay each

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### OUTDOOR LIGHTING DELIVERY SERVICE

#### **SCHEDULE SD (Continued)**

month an additional charge of 2.4% of the excess cost of the facilities. Such an agreement shall have a minimum term of ten (10) years whenever more than four (4) luminaires are so installed.

Excess cost is defined as being the cost in excess of that which would have been incurred had the lights been mounted on existing poles.

#### (h) Failure of Lights to Burn

If any lights fail to burn the full period herein provided, then upon request, a deduction will be made from the monthly price for such lights provided they are not burning within 72 hours from the time the Company is notified of the outage.

The deduction shall be the monthly Delivery Service Charges multiplied by the ratio that the period of such outage bears to the total monthly burning time as herein indicated.

This deduction shall not apply in case the failure of the lights to burn is due to the act of any public authority or to malicious breakage; provided, however, that in the latter case the necessary repairs are made with reasonable dispatch.

#### **ADJUSTMENTS**

The Delivery Service Charges under this rate shall be adjusted from time to time to reflect the following:

Seabrook Amortization Surcharge - Schedule SAS, M.D.T.E. No. 32

Energy Efficiency Charge - Schedule EEC, M.D.T.E. No. 3396

Internal Transmission Service Cost Adjustment - Schedule ITSCA, M.D.T.E. No. 34

External Transmission Charge - Schedule ETC, M.D.T.E. No. 3597

Transition Cost Adjustment - Schedule TCA, M.D.T.E. No. 3698

Renewable Resource Charge - Schedule RRC, M.D.T.E. No. 37

Default Service Adjustment - Schedule DSA, M.D.T.E. No. 40101

For billing purposes, the Seabrook Amortization Surcharge will be included in the Distribution Charge. The Internal Transmission Service Cost Adjustment and External Transmission Charge will be added to the Internal Transmission Charge and billed as the Transmission Charge. The Transition Cost Adjustment and the Default Service Adjustment will

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### **OUTDOOR LIGHTING DELIVERY SERVICE**

# **SCHEDULE SD (Continued)**

be included in the Transition Charge. The Energy Efficiency and Renewable Resource Charges will each be included as separate items on the bill.

#### **TERMS AND CONDITIONS**

The Company's Terms and Conditions, in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this Schedule.

M.D.T.E No. 3396 Canceling M.D.T.E. No. 1333 Sheet 1

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### ENERGY EFFICIENCY CHARGE

#### SCHEDULE EEC

The Distribution Charge set forth in each Delivery Service Schedule and contract of the Company shall be adjusted by an Energy Efficiency Charge as set forth below.

<u>Year</u>	Effective <u>Date</u>	Energy Efficiency Charge (\$ / kWh)
1998	Mar. 1, 1998- <sup>(1)</sup>	\$0.00330
1999	Jan. 1, 1999	\$0.00310
2000	Jan. 1, 2000	\$0.00285
2001	Jan. 1, 2001	\$0.00270
2002	Jan. 1, 2002	\$0.00250
2003 <u>- 2007</u> and thereafter	Jan. 1, 2003	\$0.00 <del>0</del> 25 <u>0</u> (1

Prior to the expiration of the current collection period, the Company will review actual energy efficiency expenditures versus actual revenue collected through the Energy Efficiency Charge and, with interest, add that amount to or subtract that amount from the energy efficiency budget for the following year<sup>(3)</sup>. Interest shall be calculated at the prime rate, with said prime rate to be fixed on a quarterly basis and is to be established as reported in <a href="THE WALL STREET">THE WALL STREET</a>
JOURNAL on the first business day of the month preceding the calendar quarter; if more than one rate is reported, the average of the reported rates shall be used.

Issued: February 1, 1999 December 20, 2002 Effective: February January 1, 1999 2003

<sup>(1)</sup> The Company will implement this Energy Efficiency Charge on the earlier of March 1, 1998 or the Retail Access Date approved by the Department for the CompanyOn January 1, 2006, the Massachusetts Division of Energy Resources ("DOER") shall review whether there is a continued need for the charge. If the DOER finds a continued need for the charge, then it shall recommend to the legislature extension of the charge beyond 2007.

<sup>(2)</sup> This is the minimum charge pending the Division of Energy Resources' decision regarding continuation of energy efficiency beyond 2002. The Company may revise this tariff with Department approval as required.

<sup>(3)</sup> The ending Conservation Charge balances as of February 28, 1997 will be incorporated into the 1998 budget as well. If the ending balance is an under collection, the positive balance will reduce the 1998 budget, and if the ending balance is an over collection, the negative balance will increase the 1998 budget.

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### EXTERNAL TRANSMISSION CHARGE

#### **SCHEDULE ETC**

The External Transmission Charge ("ETC") shall recover on a fully reconciling basis from all FG&E retail Customers, excluding Energy Bank Service Customers and the Special Contract Customers Optima Expansion and MRALP, the costs billed to FG&E by any other transmission provider, and by other regional transmission or operating entities, such as NEPOOL, a regional transmission group ("RTG"), an independent system operator ("ISO"), or other regional body, in the event that they are authorized to bill FG&E directly for their services, and shall include any other charges relating to the stability of the transmission system which FG&E is authorized to recover from retail Customers by order of the regulatory agency having jurisdiction over such charges. Effective December 1, 2002, the ETC shall also include working capital costs as calculated below. Transmission costs beyond the NEPOOL PTF system are the direct obligation of the individual Competitive Suppliers. Under no circumstances shall the amount included in the ETC recover costs which are collected by FG&E in any other rate or charge.

Working Capital Cost Calculation:

Cost of Working Capital = Working Capital Requirement \* Tax Adjusted Cost of Capital

where:

<u>Working Capital Requirement = Total Transmission Costs \* Number of Days Lag/365</u> <u>Total Transmission Costs are all costs included above;</u>

Number of Days Lag is the number of days lag to calculate the purchased power working capital requirement as defined in the Company's most recent Lead Lag Study.

Tax Adjusted Cost of Capital = Cost of Debt + (Cost of Equity/(1-Effective Tax Rate))

where:

The Cost of Debt is the debt component of the rate of return as approved by the Department in the Company's most recent base rate case,

The Cost of Equity is the equity component of the rate of return as approved by the Department in the Company's most recent base rate case, and

The Effective Tax Rate is the combined effective state and federal income tax rate.

Issued: December 20February 1, 20021999 Effective: January February 1, 20031999

M.D.T.E. No. 9735 Canceling M.D.T.E. No. 315 Sheet 2

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### EXTERNAL TRANSMISSION CHARGE

#### SCHEDULE ETC (Continued)

The ETC will not apply to Customers who have provided the Company with proof that their Competitive Supplier is providing this service on their behalf, and the Company is able to verify that it is not being charged for such External Transmission on the customer's behalf.

The ETC shall be established annually based on a forecast of transmission costs, and shall include a full reconciliation and adjustment with interest for any over- or under-recoveries occurring under the prior year's adjustment. Interest shall be calculated at the prime rate, with said prime rate to be fixed on a quarterly basis and is to be established as reported in <a href="https://example.com/THE WALLSTREET JOURNAL">THE WALLSTREET JOURNAL</a> on the first business day of the month preceding the calendar quarter; if more than one rate is reported, the average of the reported rates shall be used. Revenues received from the ETC as contained in the Energy-Bank tariff, and in the contracts of the Special Contract-Customers Optima Expansion and MRALP, will be included in the reconciliation. The Company may file to change the ETC at any time should significant over- or under-recoveries occur or be expected to occur.

Any adjustment of the ETC shall be in accordance with a notice filed with the Department setting forth the amount of the proposed charge, the amount of the increase or decrease, and the effective delivery charge in the Company's rates as adjusted to reflect the charge. The notice shall further specify the effective date of such charge, which shall not be earlier than thirty days after the filing of the notice, or such other date as the Department may authorize.

The operation of the ETC is subject to Chapter 164 of the General Laws.

Issued: December 20February 1, 20021999 Effective: January February 1, 20031999

#### FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

#### TRANSITION COST ADJUSTMENT

#### SCHEDULE TCA

The Transition Cost Adjustment ("TCA") shall recover on a fully reconciling basis, with interest, from all FG&E retail Customers, FG&E's stranded investment as set forth in the Company's Electric Restructuring Plan ("Plan") as modified by Order dated January 15, 1999 in D.T.E. 97-115/98-120. The stranded investment shall be calculated in accordance with the Formula for Calculating Transition Charges as contained in the Plan as modified in the Company's February 1, 1999 compliance filing. Interest shall be calculated at a rate of a rate-equal to the Company's weighted average cost of capital, inclusive of taxes, of 12.459.05% used in determining the return on the fixed component of the transition charge pursuant to the Settlement Agreement approved by as allowed by the Department in D.T.E. 01-103. The Company may file to change the TCA at any time should significant over- or under-recoveries occur or be expected to occur.

The TCA shall also include a final true-up for FG&E's Electric Fuel Charge. The calculation of the dollar amount of over- or under-collection of the Electric Fuel Charge will be performed as they currently are, except there will be no estimated costs after Retail Access Date.

Each adjustment of the prices under the Company's applicable rates shall be in accordance with a notice filed with the Department setting forth the amount of the applicable TCA, the amount of the increase or decrease and the effective delivery charge on the Company's rates as adjusted to reflect the new TCA amount. The notice shall further specify the effective date of such adjustment, which shall not be earlier than thirty days after the filing of the notice, or such other date as the Department may authorize.

The operation of the TCA is subject to Chapter 164 of the General Laws.

Issued: <u>December 20February 3</u>, <u>2002</u>1999 Effective: <u>January February 1</u>, <u>2003</u>1999

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY STANDARD OFFER SERVICE

#### SCHEDULE SOS

#### 1. General

This Tariff may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in MDTE regulations and Massachusetts law. In case of conflict between this Tariff and any orders or regulations of the MDTE, said orders or regulations shall govern.

#### 2. Definitions

- A. "Company" shall mean Fitchburg Gas and Electric Company.
- B. "Competitive Supplier" shall mean any entity licensed by the MDTE to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Standard Offer Service and Default Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.
- C. "Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of Record of the Company.
- D. "Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.
- E. "Default Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Standard Offer Service, in accordance with the provisions set forth in the Company's Default Service tariff, on file with the MDTE.
- F. "Distribution Company" shall mean an electric company organized under the laws of Massachusetts that provides Distribution Service in Massachusetts.
- G. "Distribution Service" shall mean the delivery of electricity to Customers by the Distribution Company.
- H. "Generation Service" shall mean the sale of electricity, including ancillary services such as the provision of reserves, to a Customer by a Competitive Supplier.
- I. "Low-income Customer" shall mean a Customer who meets the low-income eligibility qualifications approved by the MDTE for the Distribution Company.
- J. "MDTE" shall mean the Massachusetts Department of Telecommunications and Energy.

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY STANDARD OFFER SERVICE

#### **SCHEDULE SOS (continued)**

- K. "Retail Access Date" shall mean March 1, 1998, unless otherwise determined by the MDTE.
- L. "Standard Offer Service" shall mean the service provided by the Company for a term of seven (7) years after Retail Access Date, unless otherwise determined by the MDTE. The rates for this service shall be set a levels that achieve the overall Customer rate reduction required by G.L. c. 164, § I B. Availability for this service shall be in accordance with the provisions set forth in this tariff.

#### 3. Term

Standard Offer Service shall be available for seven (7) years after the Retail Access Date, unless otherwise approved by the Department.

#### 4. Availability

- A. Standard Offer Service shall be available to each Customer who was a Customer of Record as of the Retail Access Date and who has not received Generation Service from a Competitive Supplier since the Retail Access Date.
- B. A Customer receiving Standard Offer Service shall be allowed to retain such service upon moving within the service territory of the Company.
- C. A Customer who has previously received Generation Service from a Competitive Supplier is no longer eligible to receive Standard Offer Service, except that a) a Lowincome Customer may return to Standard Offer Service at any time, regardless of whether the Customer has previously received Generation Service from a Competitive Supplier; b) a residential or small commercial and industrial who has received Generation Service from a Competitive Supplier since the Retail Access Date is eligible to receive Standard Offer Service by so notifying the Company within one hundred and twenty days (120) days of the date when the Customer first began to receive Generation Service from a Competitive Supplier, provided that such notification occurs during the first year following the Retail Access Date; and c) a Customer who has received Generation Service pursuant to an agreement with a Public Aggregator is eligible to receive Standard Offer Service by so notifying the Company within 180 days of the date when the Customer first began to receive Generation Service through such agreement. There shall be no fee for returning to Standard Offer Service.
- D. A Customer who moves into the Company's service territory, after the Retail Access Date is not eligible to receive Standard Offer Service, except that a Low-income

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY STANDARD OFFER SERVICE

#### **SCHEDULE SOS (continued)**

Customer who moves into the Company's service territory after the Retail Access Date shall be eligible for Standard Offer Service.

#### 5. Billing

Each Customer receiving Standard Offer Service shall receive one bill from the Company, reflecting unbundled charges for their electric service.

#### 6. Termination of Standard Offer Service

Standard Offer Service may be terminated by a Customer concurrent with the Customer's next scheduled meter read date provided that notice of initiation of Generation Service by a Competitive Supplier is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers.

If the notice of initiation of Generation Service by the Competitive Supplier is received by the Company fewer than two days before the Customer's next scheduled meter read date, Standard Offer Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Standard Offer Service.

#### 7. Rates

The initial rate for Standard Offer Service shall be set so that, when considered in conjunction with Customers' transmission, distribution and transition charges, Customers' average rates are reduced by at least ten (10) percent from 1997 average rates, as determined by the MDTE.

As of March 1, 1999, the rate for Standard Offer Generation Service shall be set so that, when considered in conjunction with Customers' transmission, distribution and transition charges, Customers' average rates shall increase by no more than the rate of inflation, as determined by the MDTE.

As of September 1, 1999, the rate for Standard Offer Generation Service shall be set so that, when considered in conjunction with Customers' transmission, distribution and transition charges, Customers' average rates are reduced by at least 15 percent from 1997 average rates, as adjusted for inflation.

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY STANDARD OFFER SERVICE

#### **SCHEDULE SOS (continued)**

The SOS rates for each year are as follows:

<u>Year</u>	Price per kWh			
1999	3.5* cents			
2000	3.8 cents			
2001	3.8 cents			
2002	4.2 cents			
2003	4.7 cents			
2004-5	5.1 cents			

<sup>\*3.1</sup> cents effective January 1, 1999 through January 31, 1999.

#### 8. Adjustments

The SOS rates shall be modified in accordance with the SOS Fuel Adjustment and the Revenue Reconciliation Adjustment provisions contained herein.

# 9. Standard Offer Service Fuel Adjustment

The Standard Offer Service Fuel Adjustment ("SOSFA") shall be used to adjust the SOS rates through a uniform cents per kilowatt-hour surcharge when market fuel prices exceed the Fuel Trigger Point as defined below.

The SOS rate in effect for a given billing month is multiplied by the SOSFA that is set equal to 1.0 unless the Market Gas Price <u>plus</u> Market Oil Price for the billing month exceeds the Fuel Trigger Point then in effect, where:

<u>Market Gas Price</u> is the average of the values of Gas Index for the most recent twelve months through and including the billing month, where:

Gas Index is the average of the daily settlement prices for the last three days that the NYMEX Contract (as defined below) for the month of delivery trades as reported in the Wall Street Journal, expressed in dollars per MMBTU. NYMEX Contract shall mean the New York Mercantile Exchange Natural Gas Futures Contract as approved by the Commodity Futures Trading Commission for the purchase and sale of natural gas at Henry Hub;

<u>Market Oil Price</u> is the average of the values of Oil Index for the most recent twelve months through and including the billing month, where:

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY STANDARD OFFER SERVICE

#### **SCHEDULE SOS (continued)**

Oil Index is the average for the month of the daily low quotations for cargo delivery of 1.0% sulphur No. 6 residual fuel oil into New York Harbor, as reported in Platt's Oilgram U.S. Marketscan in dollars per barrel and converted to dollars per MMBTU by dividing by 6.3.

If the indices referred to above should become obsolete or no longer suitable, the distribution company shall file alternate indices with the MDTE.

<u>Fuel Trigger Point</u> is the following amounts, expressed in dollars per MMBTU, applicable for all months in the specified calendar year:

2000	\$5.35/MMBTU				
2001	\$5.35				
2002	\$6.09				
2003	\$7.01				
2004-5	\$7.74				

In the event that the Fuel Trigger Point is exceeded, the SOSFA value for the billing month is determined based according to the following formula:

Where: Market Gas Price, Market Oil Price and Fuel Trigger Point are as defined above. The values of \$0.60 and \$0.04/MMBTU represent for gas and oil respectively, estimated basis differentials or market costs of transportation from the point where the index is calculated to a proxy power plant in the New England market.

For example, if at a point in the year 2002 the Market Gas Price and Market Oil Price total \$6.50 (\$3.50/MMBTU plus \$3.00/MMBTU respectively), the Fuel Trigger Point of \$6.09 would be exceeded. In this case the SOSFA value would be

$$\frac{(\$3.50 + \$0.60/MMBTU) + (\$3.00 + \$0.04/MMBTU) = 1.0609}{\$6.09 + \$0.60 + \$0.04/MMBTU}$$

The SOS rate paid to the distribution company is increased by this SOSFA factor for the billing month, becoming \$4.4548/kWh  $(4.2 \times 1.0609)$ .

In subsequent months the same comparisons are made and, if applicable, a SOSFA determined.

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY STANDARD OFFER SERVICE

#### **SCHEDULE SOS (continued)**

Incremental revenues received by the distribution company as the result of a SOSFA shall be allocated to SOS suppliers in proportion to the SOS energy provided by a supplier to the distribution company in the applicable billing month.

#### 10. Revenue Reconciliation Adjustment

The Company shall reconcile the revenues billed to Customers by comparing SOS revenues with the costs of SOS and refund or recover any over- or under-collections in accordance with the following terms:

#### A. Over-collections

Any revenues billed by the Company for SOS in excess of the costs of SOS shall be accumulated in an account and credited with interest. Prior to December 1, 2002, interest shall be calculated at the prime rate. Effective December 1, 2002, interest shall be calculated using the prime rate after tax (i.e. prime rate \* (1- tax rate). The tax rate shall be the combined federal and state income tax rate. Interest shall be calculated at the prime rate, with said The prime rate is to be fixed on a quarterly basis and is to be established as reported in THE WALL STREET JOURNAL on the first business day of the month preceding the calendar quarter; if more than one rate is reported, the average of the reported rates shall be used. The accumulated balance at the end of each calendar year shall be credited to SOS through a uniform cents per kilowatt-hour credit on the rates for SOS the following year. The Company may file a change at any time should significant over-recoveries occur or be expected to occur.

#### B. Under-collections

In the event that the revenues billed by the Company do not recover the Company's costs of SOS or for any costs the Company defers, FG&E shall be authorized to accumulate the deficiencies in an account together with interest calculated as above and to recover those amounts by implementing a uniform cents per kilowatt-hour surcharge on the rates for Standard Offer Service. Such surcharge may be assessed only if the Company maintains the necessary rate reduction pursuant to any inflation cap restrictions. The Company may file a change at any time should significant underrecoveries occur or be expected to occur.

Under-collections, if any, that remain after the seven-year SOS Period ends shall be recovered from all retail delivery service customers by a uniform cents per kilowatthour surcharge to the Transition Charge not exceeding \$0.004 per kilowatthour commencing after such period.

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY STANDARD OFFER SERVICE

# **SCHEDULE SOS (continued)**

If aAt any time the cumulative deferral of unrecovered SOS costs exceed or are expected to exceed \$4,000,000, the Company may file with the MDTE, upon not less than 30-days' notice, a revised Standard Offer Service Surcharge designed to recover such excess deferrals over the ensuing 12 months. An appropriate showing by the Company that the deferred costs have exceeded, or are expected to exceed, \$4,000,000 shall constitute prima facia evidence that inflation in power supply costs has occurred, and the surcharge determined as above may be implemented in accordance with the retail inflation price caps as required by G.L. c.164, as amended, and further defined by the MDTE in accordance with G.L. c.164, as amended. The collection of deferred excess costs will be through a uniform cents per kilowatt-hour Surcharge to the SOS rate until such time as the amount of energy consumed by retail customers receiving SOS represents only fifteen (15) percent of the energy delivered to all retail customers. At that point, the Surcharge will be billed to all retail customers through the Transition Charge component of the Delivery Charge.

#### C. SOS Costs

Effective December 1, 2002 SOS Costs shall include

1) Supplier Costs, the costs billed to FG&E by its Standard Offer Service provider;

2) Cost of Working Capital, calculated as follows,

<u>Cost of Working Capital = Working Capital Requirement \* Tax Adjusted Cost of Capital</u>

#### where:

Working Capital Requirement = Supplier Costs \* Number of Days Lag/365

Number of Days Lag is the number of days lag to calculate the purchased power working capital requirement as defined in the Company's most recent Lead Lag Study approved by the Department,

<u>Tax Adjusted Cost of Capital = Cost of Debt + (Cost of Equity/(1-Effective Tax Rate))</u>

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY STANDARD OFFER SERVICE

# **SCHEDULE SOS (continued)**

#### where:

The Cost of Debt is the debt component of the rate of return as approved by the Department in the Company's most recent base rate case.

The Cost of Equity is the equity component of the rate of return as approved by the Department in the Company's most recent base rate case, and

The Effective Tax Rate is the combined effective state and federal income tax rate;

3) Bad Debt Costs, calculated as follows.

Bad Debt Costs = Bad Debt Expense \* Allocation Factor

#### where:

Bad Debt Expense are test year bad debt expense as approved by the Department in the Company's most recent base rate case, and

The Allocation Factor as approved by the Department in the Company's reconciliation filing. Such allocation factor shall be based on a percentage of actual account write-offs recorded and tracked for the SOS billing components to total write-offs; and

4) Renewable Energy Certificates, the title or claim for the generation attributes
associated with a Renewable Generator that is compliant with the definition of a New
Renewable Generation Source as found in 225 CMR 14.00 – Renewable Energy
Portfolio Standard.

M.D.T.E. No. <u>100</u>91 Canceling M.D.T.E. No. <u>91</u>84 Sheet 1

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY DEFAULT SERVICE

#### **SCHEDULE DS**

#### 1. General

This Tariff may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in MDTE regulations and Massachusetts law. In case of conflict between this Tariff and any orders or regulations of the MDTE, said orders or regulations shall govern.

#### 2. Definitions

- A. "Company" shall mean Fitchburg Gas and Electric Light Company.
- B. "Competitive Supplier" shall mean any entity licensed by the MDTE to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Standard Offer Service and Default Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.
- C. "Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.
- D. "Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.
- E. "Default Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Standard Offer Service, in accordance with the provisions set forth in this tariff.
- F. "Distribution Company" shall mean an electric company organized under the laws of Massachusetts that provides Distribution Service in Massachusetts.
- G. "Distribution Service" shall mean the delivery of electricity to Customers by the Distribution Company.
- H. "Generation Service" shall mean the sale of electricity, including ancillary services such as the provision of reserves, to a Customer by a Competitive Supplier.
- I. "MDTE" shall mean the Massachusetts Department of Telecommunications and Energy.
- J. "Retail Access Date" shall mean March 1, 1998, unless otherwise determined by the MDTE.

Issued: <u>December 20 October 18</u>, 2002 Effective: <u>January December</u> 1, 200<u>3</u>2

M.D.T.E. No. <u>100</u>94 Canceling M.D.T.E. No. <u>91</u>84 Sheet 2

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY DEFAULT SERVICE

### **SCHEDULE DS (continued)**

K. "Standard Offer Service" shall mean the service provided by the Company for a term of seven years after the Retail Access Date, unless otherwise determined by the MDTE. The rates for this service shall be set at levels that achieve the overall Customer rate reductions required by St. 1997, c. 164, § 193 (G.L. c. 164, § IB). Availability for this service shall be in accordance with the with the provisions set forth in the Company's Standard Offer Service tariff, on file with the MDTE.

#### 3. Availability

Default Service shall be available to any Customer who is not receiving Standard Offer Service and who, for any reason, has stopped receiving Generation Service from a Competitive Supplier.

#### 4. Rates

#### Six-Month Fixed Pricing Option:

This pricing option is available to all customers.

Effective January 1, 2001, all residential customers on Schedules RD-1 and RD-2 and RD-4 and small general service customers on Schedules GD-1 and GD-6 receiving Default Service will automatically be placed on this six-month fixed rate, unless the Customer elects the Variable Monthly Pricing Option.

The fixed rate will remain the same for six months at a time and will be based on the average monthly wholesale price over the six-month period that the Company pays to its Default Service provider.

Customers assigned to this Six-Month Fixed Pricing Option may choose the Variable Monthly Pricing Option. Customers electing the Variable Monthly Pricing Option will not have the opportunity to switch back to the Six-Month Fixed Pricing Option for as long as the Customer continues to receive uninterrupted Default Service.

Monthly bills will be recalculated for Customers who are on the Six-Month Fixed Pricing Option for Default Service and decide to switch to a competitive supplier before the six-month period is over. The electric bill for the period of the fixed-six month rate will be recalculated using the monthly variable rate for that period. This ensures that all consumers pay the actual cost of electricity they have used. This adjustment may be a credit or a debit, and will be reflected on the first bill after the switch is effective.

Residential customers on Schedules RD-1 and, RD-2 and RD-4 and small general service customers on Schedules GD-1 and GD-6 who switch to a competitive supplier and later return to Default Service will be initially placed on the Six-Month Fixed Pricing Option unless the Customer elects the Variable Monthly Pricing Option.

Issued: <u>December 20 October 18</u>, 2002 Effective: <u>January December 1, 20032</u>

M.D.T.E. No. <u>100</u>94 Canceling M.D.T.E. No. <u>91</u>84 Sheet 3

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY DEFAULT SERVICE

#### **SCHEDULE DS (continued)**

The rates for Fixed Six-Month Default Service shall be as follows:

For Schedules RD-1, RD-2, RD-4:

\$0.04912 per kWh

For Schedules GD-1, GD-6:

\$0.04921 per kWh

For Schedules GD-2, GD-4, GD-5, SD:

\$0.05011 per kWh

For Schedule GD-3:

\$0.04830 per kWh

#### Variable Monthly Pricing Option:

This option is available to all customers.

Effective January 1, 2001, general service customers on Schedules GD-2, GD-3, GD-4, and GD-5 and outdoor lighting customers on Schedule SD receiving Default Service will automatically be placed on this variable monthly rate option, unless the Customer elects the Six-Month Fixed Pricing Option.

The variable rate will change from month to month reflecting the monthly wholesale price that the Company pays to its Default Service provider.

Customers assigned to the Variable Monthly Pricing Option may choose the Six-Month Fixed Pricing Option. Customers electing the Six-Month Fixed Pricing Option will not have the opportunity to switch back to the Variable Monthly Pricing Option for as long as the Customer continues to receive uninterrupted Default Service.

General service customers on Schedules GD-2, GD-3, GD-4, and GD-5 and outdoor lighting customers on Schedule SD who decide to switch to a competitive supplier and later return to Default Service will be initially placed on the Variable Monthly Pricing Option, unless the Customer elects the Six-Month Fixed Pricing Option.

Issued: December 20October 18, 2002 Effective: January December 1, 20032

M.D.T.E. No. <u>10091</u> Canceling M.D.T.E. No. <u>9184</u> Sheet 4

# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY DEFAULT SERVICE

#### **SCHEDULE DS (continued)**

The rates for Variable Monthly Default Service shall be as follows (per kWh):

The faces for variable intentity betaute service shall be as follows (per k wh).								
Class	December 2002	<u>January</u> <u>2003</u>	February 2003	<u>March</u> 2003	<u>April</u> 2003	<u>May</u> 2003		
Residential: Schedules RD-1 <u>and</u> , RD-2 <del>, RD-4</del>	\$0.05086	\$0.05086	\$0.05086	\$0.04731	\$0.04731	\$0.04731		
Small General Service: Schedules GD-1- <del>and GD-6</del>	\$0.05095	\$0.05095	\$0.05095	\$0.04740	\$0.04740	\$0.04740		
Regular General Service and Outdoor Lighting: Schedules GD-2, GD-4, GD-5 and SD	\$0.05036	\$0.05440	\$0.05467	\$0.04654	\$0.04605	\$0.04680		
Large General Service: Schedule GD-3	\$0.04884	\$0.05276	\$0.05302	\$0.04514	\$0.04467	\$0.04540		

These rate(s) for Default Service are established through a competitive bidding process, but in no case shall exceed the average monthly market price for electricity, as determined by the MDTE.

Customers will be notified of changes in Default Service rates in advance of their effective dates in accordance with guidelines set forth by the MDTE, as may be amended from time to time. Such notifications will be made in a variety of manners including a toll free number, the Company's website, bill inserts, and bill messages. Notification of rates will be made via the Company's website at www.unitil.com and a toll free number 30 days in advance of the effective date. Default Customers will receive 60 day notification of upcoming rate changes via a bill message and 30 day notification of the new rates via a bill message. All customers will receive a bill insert explaining Default Service in the billing cycle prior to the rate change

### 5. Billing

Each Customer receiving Default Service shall receive one bill from the Company, reflecting unbundled charges for their electric service.

#### 6. Initiation of Default Service

Default service may be initiated in any of the following manners:

A. A Customer who is receiving Generation Service from a Competitive Supplier notifies the Company that he wishes to terminate such service and receive Default Service. In this instance, Default Service shall be initiated within two (2) business days of such notification for residential Customers. For other Customers, Default Service shall be

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# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY DEFAULT SERVICE

#### **SCHEDULE DS (continued)**

initiated concurrent with the Customer's next scheduled meter read date, provided that the Customer has provided such notification to the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers. If the Customer provided such notification fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

- B. A Competitive Supplier notifies the Company that it shall terminate Generation Service to a Customer. In this instance, Default Service shall be initiated for the Customer concurrent with the Customer's next scheduled meter read date, provided that the notice of termination of Generation Service is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers. If the notice of termination is received fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;
- C. A Competitive Supplier ceases to provide Generation Service to a Customer, without notification to the Company. In this instance, Default Service to the Customer shall be initiated immediately upon the cessation of Generation Service;
- D. A Customer taking Standard Offer Service has not chosen affirmatively a Competitive Supplier at the end of the term of Standard Offer Service.

#### 7. Termination of Default Service

Default Service may be terminated by a Customer concurrent with the Customer's next scheduled meter read date provided that notice of initiation of Generation Service by a Competitive Supplier is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers.

If the notice of initiation of Generation Service by the Competitive Supplier is received by the Company fewer than two days before the Customer's next scheduled meter read date, Default Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Default Service.

#### 8. Reconciliation of Default Service Costs

At the end of each calendar year, the Company shall reconcile recoveries with the cost of Default Service pursuant to the Company's Default Service Adjustment - Schedule DSA, MDTE No. 40. Effective December 1, 2002, Default Service costs include:

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# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY DEFAULT SERVICE

### **SCHEDULE DS (continued)**

1) Supplier Costs, the costs billed to FG&E by its Default Service provider; 2) Cost of Working Capital, calculated as follows, Cost of Working Capital = Working Capital Requirement \* Tax Adjusted Cost of Capital, where: Working Capital Requirement = Supplier Costs \* Number of Days Lag/365 Number of Days Lag is the number of days lag to calculate the purchased power working capital requirement as defined in the Company's most recent Lead Lag Study approved by the Department, Tax Adjusted Cost of Capital = Cost of Debt + (Cost of Equity/(1-Effective Tax Rate)) where: The Cost of Debt is the debt component of the rate of return as approved by the Department in the Company's most recent base rate case, The Cost of Equity is the equity component of the rate of return as approved by the Department in the Company's most recent base rate case, and The Effective Tax Rate is the combined effective state and federal income tax rate: 3) Bad Debt Costs, calculated as follows, Bad Debt Costs = Bad Debt Expense \* Allocation Factor -where: Bad Debt Expense are test year bad debt expense as approved by the Department in the Company's most recent base rate case, The Allocation Factor as approved by the Department in the Company's reconciliation

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recorded and tracked for the DS billing components to total write-offs.

filing. Such allocation factor shall be based on a percentage of actual account write-offs

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Schedule DJD-2

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# FITCHBURG GAS AND ELECTRIC LIGHT COMPANY DEFAULT SERVICE ADJUSTMENT SCHEDULE DSA

#### DEFAULT SERVICE ADJUSTMENT

At the end of each calendar year, the Company shall reconcile recoveries with the cost of Default Service and credit or charge any imbalances, with interest, through a uniform cents per kilowatt-hour charge or credit on the Transition Charge. Prior to December 1, 2002, interest shall be calculated at the prime rate. Effective December 1, 2002, interest shall be calculated using the prime rate after tax (i.e. prime rate \* (1 – tax rate). The tax rate shall be the combined federal and state income tax rate. Interest shall be calculated at the prime rate, Thewith said prime rate is to be fixed on a quarterly basis and is to be established as reported in The WALL STREET JOURNAL on the first business day of the month preceding the calendar quarter; if more than one rate is reported, the average of the reported rates shall be used. The Company may file to change the factor at any time should significant over- or under-recoveries occur or be expected to occur.

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